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JULIANNE M. BOWLER
COMMISSIONER OF INSURANCE

Bulletin 2003-09

To: Issuers Offering Medicare Supplemental Insurance
Health Maintenance Organizations (HMOs) Offering Medicare Managed Care Plans

From: Commissioner Julianne M. Bowler Julianne M Bowler

Re: Required Open Enrollment Period To Be Held Pursuant to M.G.L. c. 176K

Date: September 29, 2003

The purpose of this bulletin is to inform all issuers offering Medicare Supplement insurance policies and HMOs offering Medicare managed care plans (also called "Medicare+Choice," or "M+C") that are subject to the provisions of M.G.L. c. 176K of their obligation to participate in a required open enrollment period pursuant to M.G.L. c. 176K, §§ 2(b) and 3(g), as well as 211 CMR 71.10(6). The Division is scheduling such an open enrollment period which will be held between **October 2, 2003 and December 31, 2003.** The Division has been notified by the federal Centers for Medicare and Medicaid Services (CMS, formerly the federal Health Care Financing Administration (HCFA)) that, effective January 1, 2004, its contracts with Tufts Associated Health Maintenance Organization, Inc. (Tufts) in the locations identified below will no longer be in effect after December 31, 2003 for the purposes of individual/direct pay enrollment.

Tufts' Medicare managed care plan - marketed as *Secure Horizons* - for the following cities/towns within the following areas are affected:

Essex County: Andover, Georgetown, Groveland, Haverhill, Lawrence, Methuen and North Andover

Only those persons who are enrolled in these Medicare+Choice HMOs and who live in the affected locations will be eligible for the state guaranteed issue provisions of the special open enrollment period that is required under 211 CMR 71.10(6). This required open enrollment period applies to carriers marketing Medicare Supplement plans and Medicare+Choice HMO plans within any or all of the locations listed above. The special open enrollment is scheduled to take place between **October 2, 2003 and December 31, 2003.**

During this special open enrollment period, carriers must make available to all affected individuals all Medicare Supplement policies currently available and Medicare+Choice HMOs must offer all available plan options. Carriers must ensure that applicants who apply during this special open enrollment period are given the opportunity to make their coverage effective before

January 1, 2004, coincident with the date that the applicant has disenrolled from his or her Medicare+Choice HMO plan and returned to Original Medicare coverage. Carriers should prepare their systems to ensure that there is a seamless transition to Medicare Supplement coverage regardless of when applications are processed.

Carriers are reminded that mandatory participation in this special open enrollment period is in addition to compliance with all other required enrollment rights afforded to individuals pursuant to M.G.L. c. 176K, as well as the federal Balanced Budget Act of 1997, Balanced Budget Refinement Act of 1999 and Benefits Improvement and Protection Act of 2000. Any questions regarding this bulletin should be directed to Kevin Beagan, Director of the Health Unit of the State Rating Bureau at the Division of Insurance, at (617) 521-7347, or faxed to (617) 521-7773.